
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 6.4.2010

New York Times: "Daniel K. Tarullo, a Star Regulator at the Fed ... As finishing touches are put on the most comprehensive rewriting of financial rules since the Depression, a 57-year-old former law professor is emerging as one of the most influential financial regulators in the United States."

New York Times: "JPMorgan Penalized by Regulator in Britain ... JPMorgan Chase was fined a record £33.32 million (\$48.6 million) on Thursday by the financial regulator in Britain for failing to keep client funds separate from the firm's money."

New York Times: "Fed Chief Urges Banks to Do More for Small Business ... Ben S. Bernanke, the Federal Reserve chairman, said Thursday that banks needed to increase lending to small businesses to reduce unemployment and help the economic recovery."

Wall Street Journal: "Fast Traders' New Edge ... Some fast-moving computer-driven investment firms are getting an edge by trading on market data before it gets to other investors, according to market players and researchers who have studied the trading."

Wall Street Journal: "Global Bank Pact Advances ... International regulators are moving closer to an agreement that would require large multinational banks to raise vast sums to cushion any future losses. But in a concession to the banking industry and some governments, the rules are likely to take effect later than expected, according to people familiar with the matter."

Wall Street Journal: "Swiss Closer to Revealing 4,450 Names of Taxpayers ... The Swiss Senate approved a law aimed at allowing Bern to fulfill its obligations under last year's settlement of a tax case with the U.S. government. The vote is an important step toward passage of a law that would clear the way for Switzerland to hand over the names of 4,450 U.S. taxpayers who allegedly evaded taxes by hiding money in accounts at UBS AG."

Barron's: "Wall Street's Triple-A Alchemy ... The process of turning junk mortgages into gilt-edged securities surpasses medieval alchemists' wildest dreams of transforming lead into gold. And the magic wand that performed this feat was held by the credit-rating agencies, whose practices were scrutinized by the Congressional panel Wednesday."

Financial Times, Opinion: "Pay the rating agencies according to results ... The recent failures of credit rating agencies are now well known. They too often gave high ratings to bonds that subsequently defaulted. Their investment grade ratings of many subprime mortgage-backed securities were a primary cause of the current financial crisis."

Reuters: "AIG not decided on Asia unit's future: sources ... American International Group Inc (AIG.N) CEO Robert Benmosche asked the insurer's board for time to explore options besides a public offering for its Asian life unit after a \$35.5 billion deal to sell it to Prudential Plc (PRU.L) fell apart, a source familiar with the matter said."

Reuters: "U.S. bankruptcy filing rate near 5-year high ... The pace of U.S. bankruptcy filings edged up in May to the second-highest daily level since 2005, reflecting the difficulty Americans have in working off excess debt even as the economy improves."

Reuters: "WaMu has setback on road out of Chapter 11 ... Washington Mutual Inc's effort to exit bankruptcy encountered a setback on Thursday when the judge in the case ordered the company to talk further with shareholders about their requests for documents."